



Project Funding

The Transportation Enhancement program is a reimbursement program where expenses must be incurred and documented by the project sponsor before funds can be released by VDOT. There are no funds available “up-front”.

Through this program, up to a maximum 80 percent of the eligible project costs can be reimbursed with federal funds. A minimum 20 percent match must come from other public or private sources. Match can be provided for in cash, land value, donated materials and services, and volunteer labor. Some federal programs are also eligible as match provided they are not funded through the federal transportation bill – for example, Community Development Block Grants. Traditional highway funds (interstate, primary, secondary and urban) are not eligible as match; nor are other state transportation programs such as Revenue Sharing funds.

The amount of federal funds requested on a project should not exceed \$1 million per application cycle. If it does, a maximum limit of \$1 million will be considered. The Commonwealth Transportation Board (CTB) has established a policy of committing to fund a minimum 50 percent of the federal funding requested for projects that are selected. This means that if \$500,000 in federal funding is requested, the CTB must award a minimum of \$250,000 to this project if they select it. In addition, CTB policy indicates that, if selected, stand-alone projects estimated to cost \$200,000 or less, or funding requests of \$200,000 or less that complete a project will receive full funding. In many instances, projects will not receive full funding from the Transportation Enhancement program. For this reason, Project Sponsors are always encouraged to seek other funding sources, and to re-apply for additional Transportation Enhancement funds each year. Historically the requests for federal funding are much higher than the annual funds available. In Virginia, the average annual allocation of federal Transportation Enhancement funds is between \$15 and \$18 million, while the requests for federal funding average over \$65 million.

If the proposed project is large and will be constructed in multiple phases, it is strongly recommended that funding be requested for each phase separately. Due to limited funding, CTB members can fund smaller phases much easier than trying to fund a large project all at once. When determining phases, each phase should be a “stand-alone” project with a logical project scope and termini.